

TUNBRIDGE WELLS BOROUGH COUNCIL

FINANCE AND GOVERNANCE CABINET ADVISORY BOARD

MINUTES of the meeting held at the Council Chamber, Town Hall, Royal Tunbridge Wells, TN1 1RS, at 6.30 pm on Tuesday, 7 March 2023

Present: Councillor Christopher Hall (Chair)
Councillors Sankey (Vice-Chair), Brice, Dawlings, Goodship, Knight, Morton, Pound, Rogers, Hickey and Fairweather

Officers in Attendance: Lee Colyer (Director of Finance, Policy and Development (Section 151 Officer)), Jane Fineman (Head of Finance and Procurement), Pamela Grover-Morgan (Performance and Governance Manager) and Caroline Britt (Democratic Services Officer)

Other Members in Attendance:None

APOLOGIES

FG82/22 There were no apologies.

DECLARATIONS OF INTERESTS

FG83/22 There were no disclosable pecuniary or other significant interests declared at the meeting.

NOTIFICATION OF PERSONS WISHING TO SPEAK

FG84/22 There were no visiting persons registered to speak.

MINUTES OF THE MEETING DATED 24 JANUARY 2023

FG85/22 No amendments were proposed.

RESOLVED – that the minutes of the meeting dated 24 January 2023 be approved as a correct record.

FORWARD PLAN AS AT 15 FEBRUARY 2023

FG86/22 No amendments were proposed.

However, it was noted that when using the term ‘disposal’ when referring to assets, a more thorough explanation should be included.

RESOLVED – That the Forward Plan as at 15 February 2023 be noted.

CAPITAL MANAGEMENT REPORT QUARTER 3

FG87/22 Jane Fineman, Head of Finance, Procurement and Parking introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- It was confirmed that 168 computers were purchased for Council staff.
- Because of lock down, there was a delay in purchasing computer equipment. There were approximately 340/350 staff in the Council, of

which 168 had now received up to date equipment. The funding would provide equipment for the remaining staff.

- A survey was undertaken on the retaining wall at the Warwick Road car park. It was understood that the whole wall would have to be removed and they would have to dig quite a long way down in order to provide the necessary foundations that would be sufficient to hold back the soil.
- In addition, since the original survey was undertaken, increases in inflation and building works had increased the original cost of around £50k (2 years ago) to the present cost of around £156k.
- Further clarification on the reasons for the increase in cost was requested and it was agreed this would be reverted after the meeting.
- Following the meeting, additional information was provided as follows: "The original budget in the capital application was an estimate and following a quote submitted by the Council's Term Contractor (Cheesmur Building Contractors), the budget forecast requested in the Capital Management report for the works, was increased to £165,000. This now considers the outcome of an assessment of Party Wall Issues, structural, drainage and other associated surveys, liaison around Conservation Area limitations and necessary temporary works. The quotation we have had is for £135,000, we have already expended a further £15K on surveys and a further 10% has been set aside as contingency. Further quotes will be tendered for shortly."
- Capital programmes continued to be deferred year after year. It would seem that the Council's capacity to deliver Capital Programmes that were included in the budget were a lot less than predicted. This meant the Council were not being realistic about forecasting. There was a need to be more realistic about the Council's ability to deliver.

RESOLVED – That the recommendations to Cabinet as set out in the report be supported.

REVENUE MANAGEMENT REPORT QUARTER 3

FG88/22 Jane Fineman, Head of Finance, Procurement and Parking introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- The Council budgeted for a £944k deficit for 2022/23. The Council were now budgeting for a £943k deficit for 2023/24.
- The Council had taken advantage of the increases in interest rates. The Council had been fortunate that it had received quite a lot of Government Grant money that it had been able to use to generate income from the higher interest rates.
- Staff vacancies had been good in terms of the Council's finances. But for the staff working at the Council, it had been difficult as they have had to try and plug the gaps by undertaking the additional work this created. This could not continue.
- Without the increase in interest rates, and the savings made due to staff shortages, offset by the energy increases, the Council would still have a budget deficit of £943k for 2022/23.
- Determining where the Council would be in respect of the number of staff vacancies at the beginning of the year and again at the end of the year was difficult to predict as each vacancy was assessed individually depending on the needs of the relevant department.

- Each post was looked at independently and a judgement was then made as to whether it would be filled by the end of the year.
- The 34 vacant posts was therefore just a snapshot in time. The Council had an attrition rate, but also people were joining the Council all the time.
- At the beginning of each year, the Council budgeted for a full complement of staff. It also budgeted for a vacancy rate (a vacancy factor).
- For 2022/23 there was a forecast vacancy factor of £260k. The 2023/24 budget included a vacancy factor of £340k.
- As part of the budget setting process, a new post had been included to recruit an HR Change Manager. The role would include refreshing HR policies post pandemic and addressing the loss of staff. Unfortunately, the post remained unfilled. The market was extremely competitive with salaries at a level the Council could not compete with.
- The Council continued to explore all avenues in trying to attract staff to the Council. However, at present, the Council was not seen as an attractive place to work.
- The Council was committed to try and change this mindset, but the task continued to be very difficult.
- TWBC were not alone in struggling with staff turnover. The Council benchmarked itself against other Councils and unfortunately the story was similar. Other Councils in West Kent were also experiencing 20%- 25% staff turnover.
- The Council had a programme of training but unfortunately this often meant that once trained, officers left for jobs in the private sector offering higher salaries.
- The public sector had a rigid pay structure. Officers could see the maximum they could achieve within their particular grade. Other sectors had a more flexible pay structure that allowed for greater progression within the same grade.
- Public sector pay had fallen quite a long way behind private sector pay. Private sector pay had increased by approximately 6.7%, whereas public sector pay was at about just 2.7%.
- Working for the public sector had many benefits that needed to be more widely publicised.
- 'Poaching' from other Councils, although not helpful, happened. There was no formal agreement between Councils not to poach staff. It would also be difficult to enforce as staff were entitled to free movement.
- Paragraph 3.29 of Appendix G referenced that there was the equivalent of 3.29 more staff working on the Ukrainian support project. This additional resource was laudable as it mitigated against any issues when families being hosted came to the end of the 6 month period, they didn't then become homeless.
- The cost of somebody becoming homeless was far greater than the cost of the 3.29 posts.
- Regarding recruitment the Council now needed to start thinking outside the box and become more creative when trying to attract staff.
- The benefits of working at TWBC should be more widely publicised and it was suggested that Cabinet take this forward as a priority.
- Consideration should be given to the wider home working environment e.g. even looking for staff outside the UK.
- Remote working had now become the 'normal'. TWBC had a very flexible working policy based around the operational requirements of

any particular role. There was no longer a requirement or need to live within a certain distance from the Town Hall.

- However, it should be remembered that there was a benefit to face to face working. Meeting and getting to know your colleagues remained a valuable component of working life.
- There were two components to the current surplus, staff shortages but also the good fortune with interest rates was probably not going to happen again.
- Staff shortages in Local Government was a national issue. Unfortunately Tunbridge Wells' proximity to London was probably an additional factor.

RESOLVED – That the recommendations to Cabinet as set out in the report be supported.

TREASURY AND PRUDENTIAL INDICATOR MANAGEMENT REPORT QUARTER 3

FG89/22 Jane Fineman, Head of Finance, Procurement and Parking introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- It was noted that the Council did not have a treasury team and this work was undertaken by existing staff with the finance team within TWBC.
- A Treasury Management Strategy report was approved by Full Council every year.

RESOLVED – That the recommendations to Cabinet as set out in the report be supported.

PERFORMANCE SUMMARY QUARTER 3

FG90/22 Pamela Grover-Morgan, Performance and Governance Manager introduced the report set out in the agenda.

Discussion and questions from Members included the following:

- A request was made to organise a Members Briefing so that Members could better understand how performance indicators worked.

RESOLVED – That the recommendations to Cabinet as set out in the report be supported.

URGENT BUSINESS

FG91/22 There was no urgent business.

DATE OF THE NEXT MEETING

FG92/22 The date of the next meeting is scheduled for Tuesday 6 June at 6:30pm.

NOTES:

The meeting concluded at 7.30 pm.